

Notice No.: 98-009
Date: September 30, 1998
Applies to: All Employers
Subject: Creation of the DRS Receivables Management System

In 1990, with support from the Legislature and the Office of Financial Management, the Department of Retirement Systems (DRS) initiated a plan for a systems development project that would redesign all of DRS's automated systems. The goal of this project was to integrate the five DRS core business systems into one database environment.

The Receivables Management System is created

The first step in the system development process was completed in March 1993 with the implementation of the DRS Member Information System. The final step in this process will be complete when the new DRS Receivables Management System (RMS) is implemented in January 1999.

RMS will provide benefits for employers and DRS such as:

- Detailed information will be available on the employer Accounts Receivable Statement, making it easier for employers to reconcile their invoices (for example, monthly transmittal reports) to payments.
- Employers will have the ability to access accounts receivable data electronically.
- DRS systems will be integrated into a single database environment allowing easier access to information for DRS staff. This will provide the means for DRS employees to respond more quickly to requests for information and services.
- RMS will be Year 2000 compliant.

Employers are involved in new system design

As with other system development projects, DRS is working with a selected group of employers to ensure employer needs are considered and included in the new system design. This group has reviewed and contributed to the new statement design.

New RMS will bring changes

Implementation of the new system will bring about changes for employers. Some of those changes are:

- the creation of a new employers' Accounts Receivable Statement;
- the manner in which interest is assessed;
- the assignment of unique invoice numbers; and
- a change in payment application.

New Accounts Receivable Statement for employers

Employers will receive one monthly Accounts Receivable Statement, with a separate page for each system. Dependent Care Savings Recovery information will also be included on the statements for employers who participate in this program. Employers will be able to choose whether they want to see "detailed" or "summary" transmittal information on the statement. If "detailed" is chosen, the statement will show employer-reported amounts, DRS-calculated amounts, DRS-rejected transaction totals and DRS-recalculated transaction totals. The "summary" option will show totals similar to what employers currently see on their Accounts Receivable Statement.

Interest calculation method changed

With the new system, DRS will assess interest on each past due receivable balance, rather than on the overall account balance. DRS will not apply interest to credit balances. This change is consistent with RCW 41.50.125. When there is a DRS billing error, DRS will continue to adjust or remove interest on a receivable.

Note: Outstanding receivables from the current Accounts Receivable (AR) system will convert to the new RMS in the present format. DRS recommends employers reconcile these outstanding receivables prior to January 1999 to reduce the likelihood of interest assessment.

Assignment of unique invoice numbers

DRS generated invoices will no longer be grouped by report month on the new AR statement. They will be listed as separate invoices with unique invoice numbers. Contribution Transmittals (CT) and Transmittal Corrections (TC) will continue to be grouped by report month. This change will simplify account reconciliation.

Changes to the Payment Advice and Credit Redistribution Forms

Because each receivable item will have a unique invoice number, employers will need to identify the invoices for which a payment applies on the Payment Advice and Credit Redistribution forms. DRS will deliver amended Payment Advice and Credit Redistribution forms to the employers by the end of December 1998, for use beginning in January 1999.

Additional information will be provided

You will receive additional information about the system in a more detailed Notice in December 1998. In addition, the updated *DRS Employer Handbook*, scheduled for distribution in January 1999, will include detailed system instructions.

Questions?

If you have questions about the Receivables Management System, contact Jenice Thompson, Accounts Receivable Manager, at (360) 753-5246 or call the Accounts Receivable Unit at 1-800-547-6657. This Notice can also be accessed on the DRS Web site at **<http://www.wa.gov/DRS/employer>**.

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1998 DRS Notices

For a copy of a Notice, call (360) 586-0052 or 1-800-547-6657.

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98-002	All Employers Toll Free Telephone Service Implemented
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98-005	Political Subdivision Employers Deferred Compensation Program Assets to be Held in Trust
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98-007	All TRS Employers Members' Annual Statement and Sequencing Information
98-008	Future SERS Employers Creation of School Employees' Retirement System (SERS)
98-009	All Employers Creation of the DRS Receivables Management System